

502.501 General fraud.

It is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly:

1. To employ a device, scheme, or artifice to defraud;
2. To make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
3. To engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

[C77, 79, 81, §502.501]

[87 Acts, ch 53, §12](#); [97 Acts, ch 114, §14](#); [98 Acts, ch 1106, §16, 24](#); [2004 Acts, ch 1161, §38, 68](#)

Referred to in [§502.508](#), [§502.610](#)